

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 7878

BILL NUMBER: HB 1841

DATE PREPARED: Mar 23, 2001

BILL AMENDED: Mar 22, 2001

SUBJECT: Various Child Support Matters.

FISCAL ANALYST: Kathy Norris

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FUNDS AFFECTED: X

**GENERAL
DEDICATED
FEDERAL**

X

IMPACT: State

Summary of Legislation: (Amended) This bill has the following provisions:

(A) Transfers from the Department of State Revenue to the Child Support Bureau of the Division of Family and Children the responsibility to operate a data match system with financial institutions to provide information to the Bureau concerning noncustodial parents who are delinquent in the payment of child support.

(B) Indicates that a prosecuting attorney or private attorney employed to handle Title IV-D cases is representing the state and not any other person.

(C) Makes changes in the procedure to challenge a paternity affidavit. Provides that a man is conclusively presumed to be the biological father of a child if: (1) the man executes a paternity affidavit and the paternity affidavit has not been rescinded or set aside.

(D) Requires Social Security numbers to be included on applications for driver's licenses and permits and death records. Removes a provision making both parents jointly and severally liable for the repayment of childbirth expenses paid by Medicaid. Requires both the custodial and noncustodial parent in paternity and dissolution actions to provide certain information, including Social Security numbers, to the Clerk of the Court when a child support order is issued or modified.

(E) Requires the Indiana Support Enforcement Tracking System (ISETS) case number to be included with income withholding payments. Allows income withholding payments to be made to the state central collection unit.

Effective Date: July 1, 2001.

Explanation of State Expenditures: (Revised) *Provision (A):* Currently, the Indiana Department of State

Revenue employs a financial data matching system for the purpose of coordinating with in-state banks. This provision would allow the Division of Family and Children (DFC) to enter into a consortium with other states. The Family and Social Services Administration (FSSA) has indicated that implementation of the data system could require expenditures of \$300,000 per year. FSSA has indicated that the DFC could utilize already existing Federal child support funds (Title IV-D) to implement this provision.

Provision (D): The Bureau of Motor Vehicles already has a space on the current drivers license form for the entry of Social Security Numbers. There should be no impact to the Bureau as a result of this provision. The State Department of Health currently collects the Social Security Number as a data element on death certificates. This provision should have no impact on the Department. The effect of the separate treatment for the Social Security Number inclusion on the death certificates on the local health officers is unknown.

Provisions (B, C & E): No fiscal impact.

Explanation of State Revenues: *Provision (D):* This provision would require Social Security Numbers from both the obligor and obligee in a child support order. It would also require Social Security Numbers on all driver's license applications and death certificates. FSSA has indicated a potential increase in child support revenues could result due to the increased ability to find an obligee.

Provision (A), (B), & (E): No fiscal impact.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of State Revenue; Child Support Bureau of the Division of Family and Children; State Department of Health.

Local Agencies Affected: Local Health Officers.

Information Sources: Child Support Bureau of the Division of Family and Children; Bureau of Motor Vehicles. Department of Health.